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Evening Newspapers - Wednesday, 29th January, 1964

Morning Newspapers - Thursday, 30th January, 1964

Broadcasting and Television - 11 a.m., Wednesday, 29th January, 1964

RETAIL PRICES AND BASIC WAGE RATES - DECEMBER QUARTER, 1963

CONSUMER PRICE INDEX

The Consumer Price Index measures quarterly, for each capital city separately, the variations in prices of commodities and services as affecting a high proportion of the expenditure of wage-earner households. Commodities and services included in the index are food, clothing, drapery, home ownership, rent of privately owned and government owned houses, fuel, light, household appliances and supplies, fares, motoring, tobacco, cigarettes, beer, cinema, radio and television licenses, newspapers, postal and telephone services, hairdressing, dry cleaning, and various other items.

The various commodities and services have been combined into groups, and group indexes are available for Food, Clothing and Drapery, Housing, Household Supplies and Equipment, and Miscellaneous.

The indexes measure price movements in each city individually. They do not provide a comparison of the retail price level in any city with the retail price level of any other city. The base of the index for each capital city and for the weighted average, six capitals, is year 1952-53 = 100.0. Group indexes also have separate bases for each group.

Compared with September quarter, 1963, the Brisbane Consumer Price Index for December quarter, 1963, decreased by 0.2 per cent from 128.4 to 128.2. This compared with an increase of 0.4 per cent for the previous quarter and was the first decrease in the index since June quarter, 1962, when the index fell by 0.3 per cent. For the year ended December quarter, 1963, the index increased by 0.5 per cent.

The most significant changes in food prices during the quarter were an increase in meat prices and a decrease in potato prices. In addition, lower prices than in the previous quarter were recorded for eggs and onions. The average price of bread increased slightly during the quarter, notwithstanding a decrease in the price in the latter part of the quarter. The foregoing variations, when combined with a number of minor price fluctuations, resulted in a decrease in the Food Group index of 0.4 per cent. The index fell from 131.5 to 131.0.

There was a slight upward movement of 0.2 per cent in the Clothing and Drapery Group for the quarter. The index rose from 117.4 to 117.6. The increase was the net result of price variations for a number of summer seasonal items.

There was a slight decrease of 0.1 per cent in the Housing Group for the quarter. The index fell from 145.1 to 145.0.

The Household Supplies and Equipment Group index rose by 0.3 per cent from 111.2 to 111.5. The increase was the result of small changes in the prices of a number of household articles.

The Miscellaneous Group index decreased by 0.1 per cent from 135.2 to 135.0. Motor car prices and running costs decreased while costs of motor repairs increased. Higher prices were also recorded for beer.

The Consumer Price Index increased in three capital cities during the quarter, while decreases were recorded in the remaining three capitals. Percentage variations from the previous quarter were as follows:- Perth, +0.3; Sydney and Hobart, +0.2; Adelaide, -0.1; and Melbourne and Brisbane, -0.2. The weighted average of the six capital cities showed a decrease of 0.1 per cent.

Since the base year, 1952-53, the rise in the retail price level has been greatest in Hobart and smallest in Adelaide. Percentage increases from 1952-53 to December quarter, 1963, were as follows:- Hobart, 29.0; Brisbane, 28.2; Melbourne, 26.4; Sydney, 23.9; Perth, 23.1; and Adelaide, 22.7. The rise in the weighted average for the six capital cities was 25.0 per cent. (It should be noted that these figures merely indicate rates of price rise in the separate cities, and do not represent in any way the relative absolute price levels in the different cities.)

COMMONWEALTH AND STATE BASIC WAGE RATES

Commonwealth and State basic wage rates are reviewed by the appropriate Industrial Authorities from time to time - in some cases at fairly regular intervals and in others as a result of special applications for variation of the wage rate. The last variation made by the Commonwealth Conciliation and Arbitration Commission was an addition of 12s. to the male basic wage, with corresponding adjustments to the female and juvenile rates, and operated from 7th July, 1961.

The Queensland Industrial Conciliation and Arbitration Act of 1961 abolished automatic quarterly reviews of the State basic wage, but the Industrial Commission was empowered to vary the wage after a general hearing on the applications of interested parties. Following such applications the Commission increased the basic wage by 4s. for males and 3s. for females as from 29th May, 1961, and later, by 2s. for males and 1s. 6d. for females as from 6th May, 1963.

Current Commonwealth and State basic wage rates are shown in the following table.

Basic Wage Rates - Australian Capital Cities

| Capital City | Commonwealth Basic Wage | | | State Basic Wage | | |
|--------------|-------------------------|---------|--------------------------------|------------------|---------|-------------------|
| | Males | Females | Date of Operation ^a | Males | Females | Date of Operation |
| | £ s. d. | £ s. d. | | £ s. d. | £ s. d. | |
| Brisbane .. | 13 10 0 | 10 2 6 | 7.7.61 | 14 6 0 | 10 14 6 | 6.5.63 |
| Sydney .. | 14 15 0 | 11 1 0 | 7.7.61 | 15 3 0 | 11 7 6 | 1.8.63a |
| Melbourne .. | 14 7 0 | 10 15 0 | 7.7.61 | 14 7 0 | 10 15 0 | July, 61b |
| Adelaide .. | 14 3 0 | 10 12 0 | 7.7.61 | 14 3 0 | 10 12 0 | 10.7.61a |
| Perth .. | 14 8 0 | 10 16 0 | 7.7.61 | 15 1 6 | 11 6 1 | 29.7.63 |
| Hobart .. | 14 14 0 | 11 0 6 | 7.7.61 | 14 14 0 | 11 0 6 | July, 61b |

a From the first pay period commencing on or after the date shown.

b Most Wages Boards adopted the Commonwealth rate during July, 1961.

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24th January, 1964

Table 1 - Consumer Price Index - Total and Group Indexes - Brisbane
(Year 1952-53 = 100.0)

| Period | Food | Clothing and Drapery | Housing | Household Supplies and Equipment | Miscell- aneous | All Groups |
|---|-------|----------------------------|---------|---|--------------------|---------------|
| Year - | | | | | | |
| 1953-54 | 103.4 | 100.9 | 101.6 | 101.7 | 101.7 | 102.0 |
| 1954-55 | 104.1 | 101.3 | 104.7 | 102.5 | 102.0 | 102.9 |
| 1955-56 | 107.7 | 102.2 | 110.5 | 102.6 | 108.0 | 106.3 |
| 1956-57 | 111.5 | 104.7 | 118.4 | 106.5 | 118.9 | 112.0 |
| 1957-58 | 113.0 | 107.8 | 123.9 | 108.3 | 120.5 | 114.4 |
| 1958-59 | 119.8 | 109.4 | 128.4 | 109.0 | 123.6 | 118.2 |
| 1959-60 | 124.2 | 111.9 | 132.6 | 110.6 | 125.6 | 121.2 |
| 1960-61 | 130.4 | 115.1 | 137.6 | 111.3 | 129.5 | 125.4 |
| 1961-62 | 130.8 | 116.7 | 140.5 | 113.0 | 133.3 | 127.3 |
| 1962-63 | 129.8 | 117.0 | 144.0 | 112.8 | 134.4 | 127.7 |
| Quarter - | | | | | | |
| 1962 - December .. | 129.5 | 117.0 | 144.1 | 112.8 | 134.4 | 127.6 |
| 1963 - March .. | 130.3 | 117.0 | 144.2 | 112.5 | 134.3 | 127.8 |
| June .. | 130.2 | 117.0 | 144.5 | 112.9 | 134.4 | 127.9 |
| September .. | 131.5 | 117.4 | 145.1 | 111.2 | 135.2 | 128.4 |
| December .. | 131.0 | 117.6 | 145.0 | 111.5 | 135.0 | 128.2 |
| Percentage Increase or Decrease (-) on Previous Quarter | | | | | | |
| Quarter - | | | | | | |
| 1962 - December .. | 0.2 | 0.1 | 0.6 | -0.3 | 0.1 | 0.1 |
| 1963 - March .. | 0.6 | - | 0.1 | -0.3 | -0.1 | 0.2 |
| June .. | -0.1 | - | 0.2 | 0.4 | 0.1 | 0.1 |
| September .. | 1.0 | 0.3 | 0.4 | -1.5 | 0.6 | 0.4 |
| December .. | -0.4 | 0.2 | -0.1 | 0.3 | -0.1 | -0.2 |

Table 2 - Consumer Price Index - Capital Cities
(Year 1952-53 = 100.0 for Each City and for Six Capitals)

As the base for each city is 100.0, the indexes in the table below do not indicate relative price levels as between cities, but they may be used to compare relative price movements in the various cities.

| Period | Sydney | Melbourne | Brisbane | Adelaide | Perth | Hobart | Weighted Average, Six Capitals |
|-----------------|--------|-----------|----------|----------|-------|--------|---|
| Year - | | | | | | | |
| 1953-54 .. | 101.6 | 102.0 | 102.0 | 102.3 | 103.0 | 105.0 | 102.0 |
| 1954-55 .. | 102.3 | 102.0 | 102.9 | 103.5 | 105.2 | 104.9 | 102.6 |
| 1955-56 .. | 105.7 | 108.1 | 106.3 | 106.9 | 107.9 | 110.2 | 106.9 |
| 1956-57 .. | 112.9 | 114.0 | 112.0 | 111.1 | 112.9 | 116.9 | 113.1 |
| 1957-58 .. | 114.5 | 114.4 | 114.4 | 111.9 | 113.6 | 117.0 | 114.2 |
| 1958-59 .. | 115.3 | 116.6 | 118.2 | 114.5 | 114.7 | 118.7 | 116.0 |
| 1959-60 .. | 117.8 | 120.0 | 121.2 | 118.0 | 116.9 | 120.8 | 118.9 |
| 1960-61 .. | 122.1 | 125.9 | 125.4 | 122.9 | 121.2 | 127.5 | 123.8 |
| 1961-62 .. | 122.6 | 126.3 | 127.3 | 122.5 | 121.6 | 128.1 | 124.3 |
| 1962-63 .. | 123.2 | 126.2 | 127.7 | 122.1 | 122.2 | 128.0 | 124.5 |
| Quarter - | | | | | | | |
| 1962 - December | 123.2 | 126.2 | 127.6 | 121.9 | 121.7 | 128.2 | 124.4 |
| 1963 - March .. | 123.3 | 126.0 | 127.8 | 121.9 | 122.3 | 128.0 | 124.5 |
| June .. | 123.7 | 126.4 | 127.9 | 122.5 | 122.8 | 128.2 | 124.9 |
| September | 123.7 | 126.7 | 128.4 | 122.8 | 122.7 | 128.8 | 125.1 |
| December | 123.9 | 126.4 | 128.2 | 122.7 | 123.1 | 129.0 | 125.0 |